

**A RESOLUTION**

**BY TRANSPORTATION COMMITTEE**

02-<sup>R</sup>-0205

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH DELTA AIR LINES, INC., COVERING THE RELINQUISHMENT TO THE CITY OF APPROXIMATELY 6.1 ACRES OF LAND LEASED TO DELTA BY THE CITY UNDER THE AMENDED AND RESTATED LEASE AGREEMENT, DATED DECEMBER 1, 1989, FOR DELTA'S TECHNICAL OPERATIONS CENTER ("TOC LEASE") AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, FOR A COST TO THE CITY NOT TO EXCEED \$14,889,214.00, TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER NO. 2H26 571001 R21E052096AA; AND FOR OTHER PURPOSES.**

**WHEREAS**, the City of Atlanta ("City") has undertaken the Concourse E Expansion and Landside Access ("CEELA") project, for construction of a new Eastside Terminal and related aircraft ramp, entrance roadway, and vehicle parking facilities, to improve service to international airlines and their passengers at Hartsfield Atlanta International Airport ("Hartsfield"); and

**WHEREAS**, the City and Delta Air Lines Inc. ("Delta") are parties to an Amended and Restated Lease Agreement, dated 12/1/89, for Delta's Technical Operations Center ("TOC"), which serves as Delta's primary aircraft maintenance facility at Hartsfield; and

**WHEREAS**, the City requires the use of a portion of Delta's TOC leasehold in connection with the CEELA project and for the relocated Taxiway D, and Delta is ready and willing to relinquish the area needed by the City in phases, the first of which is the subject of this legislation; and

**WHEREAS**, Delta will lose the use of 1560 parking spaces as a result of the relinquishment of the area in this first phase, and needs the continued use of the area for parking, for a period of up to one (1) year, while Delta constructs temporary parking on tracts 5 and 6 of the remaining parcel, and commences the construction of a parking deck to replace the displaced parking, on the ultimate remaining parcel.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA**, that the Mayor or her designee be and hereby is authorized to execute on behalf of the City of Atlanta an Agreement with Delta Air Lines, Inc., which shall provide for the relinquishment by Delta to the City of approximately 6.1 acres of land, (Phase I), within its Leased Premises under the Amended and Restated Lease Agreement for the Technical Operations Center (TOC) at Hartsfield Atlanta International Airport, more particularly shown on the drawing attached hereto as Exhibit A and made a part hereof by reference, and for the temporary continued use of said property for a period of up to one (1) year thereafter by Delta, subject to the following terms and conditions:

1. The City shall pay to Delta the sum of Fourteen Million, Eight Hundred Eighty Nine Thousand, Two Hundred and Fourteen Dollars (14,889,214.00) in full settlement of all of Delta's right,

title, interest and claims arising out of Delta's relinquishment to City of that portion of Delta's Leasehold interest indicated on "Exhibit A" and the cost to Delta for the continued temporary use of said property for employee parking for up to one (1) year thereafter.

2. Such other terms, conditions, and provisions as are required by City Ordinances or customarily included in leasehold interest relinquishment agreements of a similar nature at the Airport.

**BE IT FURTHER RESOLVED** that the cost to the City under said Agreement shall be charged to and paid from Fund Account Center No. 2H26 571001 R21E052096AA.

**BE IT FURTHER RESOLVED** that the City Attorney be and hereby is directed to prepare said Agreement for execution by the Mayor.

**BE IT FINALLY RESOLVED** that said Agreement shall not become binding upon the City, and the City shall incur no obligation or liability thereunder until the same has been signed by the Mayor and delivered to Delta.



**TRANSMITTAL FORM FOR LEGISLATION**

To Mayor's Office: Greg Pridgeon

General Manager's Signature: McD

From: Originating Dept. Aviation

Committee of Purview: TC

Committee Meetings: 02/13/02

Contact: Charles Fister 404-209-1700

Committee Deadline: 02/01/02

City Council Meeting: 02/18/02

**CAPTION:**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH DELTA AIR LINES, INC., COVERING THE RELINQUISHMENT TO THE CITY OF APPROXIMATELY 6.1 ACRES OF LAND LEASED TO DELTA BY THE CITY UNDER THE AMENDED AND RESTATED LEASE AGREEMENT, DATED DECEMBER 1, 1989, FOR DELTA'S TECHNICAL OPERATIONS CENTER ("TOC LEASE") AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, FOR A COST TO THE CITY NOT TO EXCEED \$14,889,214.00, TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER NO. 2H26 571001 R21E052096AA; AND FOR OTHER PURPOSES.**

**BACKGROUND/DISCUSSION:** A portion of Delta's Leasehold in the Lease Agreement for the Technical Operations Center, which serves as Delta's principal aircraft maintenance facility, is needed by the City for the Concourse E Expansion and Landside Access (CEELA) project, under which the City will construct an Eastside Terminal to improve service to international airlines and their passengers at Hartsfield. The area to be relinquished to the City is being used by Delta for employee parking. The employee parking area will be replaced with a new parking deck containing approximately 1560 spaces. Delta will accomplish construction of the parking deck to replace parking spaces eliminated by CEELA construction, construct an interim parking lot on tracks 5 & 6, construct a new road for bus service to the TOC and provide an employee busing service, with funding from the City as compensation for the loss of a portion of its leasehold in the TOC, with recovery of City compensation to be made through CEELA project.

**FINANCIAL IMPACT:** \$14,889,214.00

**SOURCE:** PFC Funds

Fund Account Center numbers and availability of funds verified by Financial Analyst, Tracy Curry.

Mayor's Staff Only:

Received by Mayor's Office: 1/28/02

(Date)

Reviewed: [Signature]

(Initials)

(Date)

Submitted to Council: \_\_\_\_\_

Action by Committee: ☐ Approved ☐ Adversed ☐ Held ☐ Amended

☐ Substitute ☐ Referred ☐ Other